

or desired by local service providers. A total of 1,818 Local Wholesale employees support the operational needs of the CLEC's across the seven states. In its five-state region, SWBT has established Local Service Centers ("LSC") staffed by 661 employees in Dallas and Fort Worth to provide CLECs with a single point of contact for ordering, provisioning, and billing related to interconnection, UNEs, and resale. The LSC is available to local wholesale customers when they choose not to use wholly mechanized processes, or for complex transactions that are performed manually for SWBT retail operations and local wholesale customers alike.

14. Pacific Bell similarly established Facilities Local Service Centers ("FLSC"), staffed by 162 employees in San Francisco and Anaheim to provide facilities-based local service providers in California with a single point of contact for ordering, provisioning, and billing related to interconnection and UNEs. The FLSC serves facilities-based local wholesale customers when they choose not to use wholly mechanized processes, or for complex transactions that are performed manually for Pacific Bell retail operations and local service providers alike. There is also a separate LSC in Nevada to serve local wholesale customers in that state.

15. Pacific Bell's Resale Local Services Centers ("RLSC"), also located in San Francisco and Anaheim and also

used by Nevada Bell, serves as a single point of contact for pre-ordering, ordering, and billing of resold services. The RLSC has hired and trained a staff of almost 800 employees and incurred operating expenses of more than \$40 million in 1997, all to process local wholesale customers' resale service requests. Like the FLSC, the RLSC has ample capacity to serve local wholesale customers. Since May 1997, Pacific Bell has tripled the RLSC's capacity to over 5,400 local wholesale customer requests per day, which compares to actual demand of approximately 2,000 orders per day in February 1998. The RLSC processed more than 476,000 service requests on behalf of 46 local wholesale customers in 1997 and over 250,000 orders between January and June 1998.

16. To handle provisioning, testing, maintenance, and repair functions for all interconnection facilities, resold services, and UNEs provided to local wholesale customers, SWBT, Pacific Bell and Nevada Bell have established Local Operations Centers ("LOCs") in Fort Worth, Texas and in Pasadena, California. For the period of January through May 1998, the SWBT and Pacific Bell LOCs together responded to more than 250,000 calls from local wholesale customers.

**D. Training Offered to Wholesale Customers**

17. SBC's commitment to help local wholesale customers do business with our companies extends even further than the personnel and organizations created to interface with local wholesale customers. SBC has made considerable effort to communicate and develop educational and informational materials for local wholesale customers. We offer a series of workshops and OSS classes to educate local wholesale customer personnel on how to order telecommunications services for resale, unbundled network elements, interconnection and local number portability. More detail on these efforts is included in Attachment 4.

**E. SBC's Responsiveness to Emerging Implementation Issues**

18. The transition from franchised exclusive LECs to multi-provider local marketplaces has not been easy or simple for SBC or for local wholesale customers. But where problems have arisen, SBC has worked to resolve them cooperatively and conscientiously. Indeed, SBC continually strives to improve its procedures to provide better service to its local wholesale customers. SBC has established a team to address and resolve issues raised by our local wholesale customers. The objective of the team is to define and to put into practice procedures that address ongoing escalation requirements for both major and minor

issues that are sure to arise in the evolving telecommunications marketplace.

19. The approach that SWBT believes is the most effective is to offer two avenues for the resolution of problems encountered by our local wholesale customers. One of those avenues is to resolve problems through the Account Manager assigned to each of our local wholesale customers. When a local wholesale customer requests information, the Account Manager is required to respond to the request in a timely fashion. If, however, the Account Manager is unable to provide a response or resolve the matter, a formal internal escalation process is initiated after a specified time frame. The process provides for the matter to be automatically escalated to the next higher level of management.

20. The second avenue is through escalation beyond the normal Account Manager process to the Tier II Technical Support and Customer Action Team. This escalation can occur in one of two ways; the Account Manager may proactively escalate an issue for resolution, or the local wholesale customer may contact the Tier II team directly. This action team has overall responsibility for direct interface with all SWBT internal organizations in order to solve local wholesale customer problems. A "Hotline" will be established to provide access to this Tier II action team 24

hours a day, 7 days a week. Examples are included in Attachment 5.

**F. Performance Measurements**

21. SBC's performance measurements mirror the model set of measurements advocated by the U.S. Department of Justice (DOJ). The DOJ has reviewed SWBT's performance measurements and developed a generic set of performance measurements to which SWBT has agreed. The DOJ has confirmed that these measurements are presently "sufficient, if properly implemented, to satisfy the Department's need for performance measures for evaluating a Section 271 application."<sup>1</sup> Where there are no analogous services in SBC's retail operations to services SBC offers to local wholesale customers, SBC has adopted specific performance standards to ensure service parity. These measurements provide proof that SBC is providing local wholesale customers a meaningful opportunity to compete and is providing items in a non-discriminatory manner. Where the measurements bring a problem area to light, SBC will conduct a root-cause analysis and take corrective actions as needed. Moreover, in response to issues raised by the Texas PUC in its recent Order, SBC will develop and implement additional

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<sup>1</sup>Letter from Donald J. Russell, DOJ, to Liam S. Coonan, SBC at 1 (Mar. 6, 1998).

performance measurements as needed.

**V. LOCAL WHOLESALE CUSTOMERS ARE PROVIDING COMMERCIAL  
ALTERNATIVES TO SBC**

22. SBC management and employees have worked diligently and successfully to comply with the local market opening provisions of the 1996 Act and related federal and state rules by facilitating entry into the local exchange market. These efforts have resulted in SBC offering carriers a meaningful opportunity to compete in our markets. The result of these efforts is that local wholesale customers now serve more than one million local resale and facilities-based lines in SBC's states - more lines than local wholesale customers have gained from any other regional Bell company. This fact demonstrates that SBC has provided local wholesale customers with a meaningful opportunity to compete and that our local markets are indeed open. Attachment 1 provides detailed information on SBC's success in opening its markets and the extent to which local wholesale customers are using products made available by SBC in each of its seven in-region states.

23. The strategy for many local wholesale customers is to target the most profitable "high value" users, usually in densely populated urban/metropolitan areas. The market strategy in this regard is illustrated in Attachment 6. Wholesale customers' success in the local market may be

demonstrated by the number of "high value" customers they are serving, assuming their publicly touted marketing strategy is working. This targeted marketing strategy is designed to allow local wholesale customers to attract a higher percentage of the market share measured in terms of revenue rather than the raw number of lines indicates.

## **VI. CONCLUSION**

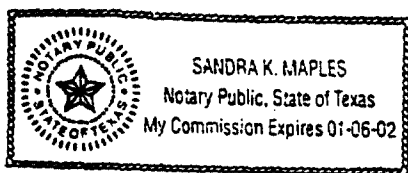
24. SBC has committed massive resources to implementing the Act and opening the local market. Regulatory bodies examining the issue have admitted this fact. The proposed merger with Ameritech will only increase SBC's efforts to open its markets and serve the public interest by combining the experience and efforts of the to-be-merged companies in this regard. SBC's record in opening its networks in the Southwestern Bell, Pacific Bell, and Nevada Bell areas demonstrates SBC's commitment to its obligations under the 1996 Act. That has been the case with our merger with Pacific Telesis and there is no reason to expect it will be any different with Ameritech.

This concludes my affidavit.



\_\_\_\_\_  
Stephen M. Carter

Subscribed and sworn to before me this 20th day of July,  
1998.



Sandra K. Maples  
\_\_\_\_\_  
Notary Public

My Commission expires: 01-06-02



## INDEX OF ATTACHMENTS

Attachment 1	Local Wholesale Customers Successes in SBC Territory
Attachment 2	Pacific Bell Improvements
Attachment 3	Operations Support Systems
Attachment 4	Local Wholesale Customer Education
Attachment 5	Process Improvements Made by SBC
Attachment 6	New Entrants' Market Entry Strategy

Pursuant to 47 C.F.R. §§ 1.743(c), 1.913(c), 5.54(c), the preceding document is a copy of the original signed affidavit, which was filed as an attachment to Exhibit 2 to the Form 490 applying for the Commission's consent to transfer control of Part 22 licenses held by Detroit SMSA Limited Partnership from Ameritech Corporation to SBC Communications Inc. That Form 490 was filed concurrently with this application.

**LOCAL WHOLESALE CUSTOMER SUCCESSES IN SBC TERRITORY**

The following chart shows how local wholesale customers have been successful in obtaining local resale and facilities-based lines in SBC's seven states, as of the end of June 1998:

		Resale <u>Total</u>	Resale <u>Residential</u>	Resale <u>Business</u>	Resale <u>Priv. Coin</u>	Facilities <u>Based Lines</u>	Total <u>Lines</u>
a)	California:	255,011	130,332	115,778	8,901	261,051	516,062
b)	Texas:	284,243	195,089	77,649	11,505	59,082	343,325
c)	Kansas:	50,265	22,971	27,287	7	2,053	52,318
d)	Oklahoma:	21,428	17,019	4,382	27	17,446	38,874
e)	Arkansas:	14,588	13,211	1,377	0	11,147	25,735
f)	Missouri:	22,519	13,935	8,532	52	4,094	26,613
g)	Nevada:	1,908	338	1,570	0	13,048	14,956
<b>RESOLD LINES:</b>		<b>649,962</b>	<b>392,895</b>	<b>236,575</b>	<b>20,492</b>		
<b>FACIL.-BASED LINES:</b>						<b>367,921</b>	
<b>SBC TOTAL CLEC LINES:</b>							<b>1,017,883</b>

The following chart shows the number of interconnection agreements that have been signed and approved in each of SBC's seven states:

	<u>Signed Agreements</u>	<u>PUC Approved Agreements</u>	<u>CLECs with Approved Certifications</u>
Texas	146	118	164
Missouri	45	27	41
Kansas	44	29	55
Arkansas	39	30	23
Oklahoma	44	18	40
California	40	32	117
Nevada	<u>16</u>	<u>13</u>	<u>60</u>
TOTAL	374	267	500

SBC has provisioned more than 353,100 interconnection trunks to local wholesale customers. This represents the call carrying capacity on the local service provider networks for 3.5 million lines. Although disputes remain over the treatments of Internet traffic, SBC has exchanged more than 14 billion minutes of local and Internet traffic with local wholesale customers demonstrating that SBC has interconnected its networks with local service provider

networks. Local wholesale customers have attached their lines to over 370,000 of SBC's poles and occupy 1,568 miles of SBC conduit space.

Facilities-based local service providers have received more than 60,500 unbundled local loops and nearly 350 unbundled switch ports from SBC for their own use. The local wholesale customers are able to access these facilities, and interconnect with SBC's local networks, using 490 operational physical collocation arrangements and 58 operational virtual collocation arrangements. Over 170 central offices in SBC's local service areas host either physical collocation or virtual collocation. These central offices give the CLECs access to over 70% of the metro area access lines in California and access to over 25% of the metro area access lines in SBC's remaining areas. An additional 406 physical collocation arrangements are under construction. Operational physical and virtual collocation arrangements have been established in all of SBC's in-region states.

Local service providers have placed more than 500,000 end user listings in SBC's White Pages directories and have been assigned approximately 22 million telephone numbers for

use by their end users. More than 115 local service providers are using SWBT's Directory Assistance and Operator Call Completion Services, and 45 local service providers are using the systems of Pacific Bell and Nevada Bell.

SBC has ported nearly 85,000 former SWBT, Pacific Bell, and Nevada Bell telephone numbers to other local carriers. Each ported number represents one or more local telephone lines formerly served by SBC that now are served by a facilities-based local service provider.

Local service providers are also vigorously entering local markets in SBC's region through resale. Local service providers have gained nearly 650,000 resold lines, including 237,000 business lines and 393,000 residential lines. Local service providers have gained more than 20,000 private coin lines via resale.

Although SBC has no way of quantifying all the services provided by local service providers entirely over their own facilities, the information available to SBC through its own databases shows that facilities-based local service providers in SBC's service areas are serving at least 368,000 local lines over their own local telephone networks.

This number is based on 911 records in which the CLEC  
specifies this type of customer.

# SBC's Section 251 / Checklist Provisioning Status

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gh: 8/98 (unless otherwise noted)  
la through 5/98 (unless otherwise noted)

Date Produced: 7/20/98

Green, italicized, bolded data is corrected from previous edition.

CHECKLIST DESCRIPTION	PRODUCTS PROVIDED	AR	KS	MO	OK	TX	SWBT's 5 States	CA	NV	SBC TOTAL
action for the transmission ing of telephone exchange and exchange access at any ly feasible point within the network.	Total Interconnection Trunks Provided to CLECs	5,862	3,384	12,643	9,898	94,407	125,974	224,854	2,498	353,134
	· One Way Trunks (SBC to CLEC)	4,184	1,728	5,524	7,401	52,424	71,261	14,474	0	85,735
	· One Way Trunks (CLEC to SBC)	620	400	1,824	1,513	19,374	23,731	1,888	0	25,419
	· Two Way Trunks	858	1,256	5,295	984	22,809	30,982	208,502	2,498	241,980
	Physical Collocation *									
	· Operational Cages	6	3	9	15	81	94	383	3	490
	· Pending Cages	5	7	30	7	117	186	239	1	408
	Virtual Collocation *									
	· Operational Arrangements	2	6	8	5	37	58	0	0	58
	· Pending Arrangements	0	0	0	0	1	1	1	0	2
	Number of Collocated Wire Centers	3	4	9	13	41	70	100	3	173
Non-discriminatory access to network networks. (In addition, See Items 3-6 below)	Number of CLECs passing orders in 1998	15	17	22	16	102	172	48	4	222
	Total orders processed (2/8/98 - 6/98) **	82,872	98,876	47,184	75,587	1,173,346	1,457,855	785,159	8,034	2,258,848
	· Manual	58,284	63,368	28,378	88,877	900,785	1,118,452	100% in 1998	8,034	
	· Electronic	3,408	35,508	20,786	8,920	272,581	339,203	0% in 1998	0	
	Total orders processed in 1997 **	19,035	41,476	6,398	22,832	841,098	730,837	491,327	3,511	1,225,875
	· Manual	19,035	28,972	6,300	20,408	485,077	588,801	~80%	3,511	
	· Electronic	0	12,504	87	2,424	146,021	161,036	~20%	0	
	Total orders processed in 1996 **	43,837	57,400	40,764	52,761	480,844	685,206	234,635	2,523	922,364
	· Manual	40,229	34,398	20,085	48,285	384,084	507,039	91,508	2,523	
	· Electronic	3,408	23,004	20,669	4,496	126,560	178,167	143,129	0	
	Total orders processed in June 1998 **	6,739	10,809	9,718	8,243	78,181	111,500	81,885	485	173,630
	· Manual	5,837	5,380	2,417	8,845	52,043	72,302	38,999	485	
	· Electronic	1,102	5,249	7,301	1,398	24,148	39,198	24,886	0	
Non-discriminatory access to poles, ducts, conduits and rights of way.	Total Number of Poles Attached (Note 1)	186	58	388	186	2,358	3,155	370,080	508	373,723
	Total Feet of Duct Occupied (Note 1)	217,792	13,214	81,530	107,329	826,931	1,028,798	7,238,850	18,225	8,279,871
4 Local loop transmission from the central office to the customer's premises, unbundled from local switching or other services.	Unbundled Loops	1,195	381	1,620	1,345	331	4,852	52,062	3,581	60,535
5 Local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services.	Unbundled Transport									
	· Dedicated Transport Available?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	· Shared Transport Available?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6 Local switching unbundled from transport, local loop transmission or other services.	Unbundled Switch Ports	0	0	0	0	182	182	181	0	343
7 Non-discriminatory access to 911 and E911, directory assistance, and operator call completion services.	E911 Trunks (not included in Item 1 Total)	18	24	18	20	158	238	508	6	750
	DA/OA Trunks (not included in Item 1 Total) ***	84	0	84	85	725	958	4	18	980
	CLECs using Directory Assistance Service (Note 2)	9	12	18	10	100	117	Data Not Available	Data Not Available	
	CLECs using "0" Call Completion Service (Note 2)	9	12	18	10	99	116	Data Not Available	Data Not Available	
	Are CLECs offered E-911 service directly to government bodies or interconnecting with SBC's existing service arrangements?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Number of Facilities Based CLEC End User E-911 Listings (MOKA also 7/8/98)	427	2	50	99	4,312	4,890	Res/Bus Split		4,890
	· Residence									
	· Business	10,720	2,051	4,044	17,347	54,770	88,932	Not Available		88,932
	· Total	11,147	2,053	4,094	17,448	58,082	93,822	261,051	13,048	367,921
	Number of CLEC End User White Pages Listings	13,195	43,230	19,168	19,108	219,786	314,485	184,980	617	480,062
		589	297	1,008	927	3,531	8,352	14,577	891	21,820
			2,677	20,178	20,033	223,317	320,837	179,537	1,508	501,882



# SBC's Section 251 / Checklist Provisioning Status

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Numbers for assignment to the other carrier's phone exchange service customers.	Numbers Assigned	140,000	100,000	970,000	390,000	7,700,000	9,300,000	13,360,000	30,000	22,860,000
	Numbers Pending Assignment	0	0	0	30,000	670,000	700,000	1,470,000	0	2,170,000
Non-discriminatory access to databases and associated signaling necessary for call routing and completion.	Access to 800, Line Information Database (LIDB), Calling Name Delivery Database (CNAM), and SS7 Signaling Network Available?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Prim number portability through 2F or DID trunks. Each line ported presents conversion of an existing line from SBC to a facilities-based provider.	Numbers Ported to CLECs via INP									
	Residential Lines	5	0	2	0	50	57	0	0	57
	Business Lines	2,441	1,045	2,045	11,520	23,953	41,004	35,768	7,643	84,415
	Total	2,446	1,045	2,047	11,520	24,003	41,061	35,768	7,643	84,472
Non-discriminatory access to services and information required to allow implementation of dialing parity.	Are additional access codes or digits needed to complete local calls to or from CLEC customers?	No	No	No	No	No	No	No	No	No
	IntraLATA toll dialing parity available concurrent with SBC's provision of interexchange service?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Reciprocal compensation arrangements. (Note 4) ****	Local and EAS Minutes of Use Exchanged Over Interconnection Trunks Since 1/1/97 (in Millions)									
	From SBC to CLEC	29.1	0.4	43.4	148.2	271.0	492.1	2,964.5	26.3	3,482.9
	From CLEC to SBC (CA - does not incl. Jan-98)	6.7	0.0	0.3	12.5	256.8	278.3	582.0	0.0	856.3
	Total	35.8	0.4	43.7	160.7	527.8	768.4	3,546.5	26.3	4,341.2
	Local and EAS Minutes of Use Exchanged Over Interconnection Trunks in May 1998 (in Millions)									
	From SBC to CLEC	2.4	0.1	1.1	10.6	14.0	28.2	Not Available	3.4	31.8
	From CLEC to SBC	0.0	0.0	0.3	1.8	38.0	39.9	50.3	0.0	90.2
	Total	2.4	0.1	1.4	12.2	52.0	68.1	50.3	3.4	121.8
	Local and EAS Minutes of Use Exchanged Over Interconnection Trunks in June 1998 (in Millions)									
	From SBC to CLEC	2.3	0.1	9.9	14.2	28.1	54.6	62.8	4.1	121.5
	From CLEC to SBC	0.1	0.0	0.0	0.0	15.9	16.0	63.5	0.0	79.5
	Total	2.4	0.1	9.9	14.2	44.0	70.5	126.3	4.1	200.9
4 Offering for resale at wholesale prices any telecommunications services offered at retail to subscribers who are not themselves carriers.	Resold Access Lines									
	Business Lines (Simple and Complex)	1,377	27,287	6,532	4,382	77,849	119,227	115,778	1,570	236,575
	Private Coin Lines	0	7	52	27	11,505	11,501	6,901	0	20,492
	Residential Lines	13,211	22,971	13,935	17,019	195,069	262,225	130,332	338	392,896
	Total	14,588	50,265	22,519	21,428	284,243	393,043	255,011	1,908	649,962

Note 1: CA and NV data updated quarterly. CA Total Feet of Duct Occupied reflects both IXC and CLEC facilities.

Note 2: SWBT total counts each CLEC once, although it may appear in multiple states and as both a facilities based and resale provider.

Note 3: Each NXX Code equals 10,000 telephone numbers.

Note 4: Totals do not include disputed Internet minutes of use. However, the fact that over 9,936 minutes of Internet traffic have been exchanged between SBC and CLEC networks in 1997 and 1998 also demonstrates that SBC's networks have been opened to competition. SWBT 1997 and 1998 totals include only Local and Optional EAS traffic. PB 1997 totals also include intraLATA toll.

\* CA reflects actual number of cages. By SWBT methodology, operational physical collocation would be 233 (counting CLECs in a given wire center only once).

\*\* CA Order Volumes include resale activity only (not facilities based orders).

\*\*\* KS does have OADA trunks, but they appear in MO as they serve both MO and KS.

\*\*\*\* Represents only that traffic for which originating records have been exchanged.

CLECs with Certifications (a/o 7/29/98)	AR	KS	MO	OK	TX	SWBT's 5 States	CA	NV	SBC TOTAL
Number Approved	23	55	41	40	184	323	117	60	500
Number Pending	22	6	17	18	9	72	29	2	103
CLEC Interconnection Agreements (a/o 7/20/98)									
Number Signed (Resale, FB, & Combo)	39	44	45	44	146	318	40	16	374
Number Approved (Resale, FB, & Combo)	30	29	27	18	118	222	32	13	287
Number of Arbitrations Completed	1	3	3	1	11	19	4	0	23
Number of Arbitrations In Progress	1	0	0	0	1	2	0	1	3
Number Under Negotiation (Resale, FB, & Combo)	69	66	82	72	149	440	61	38	539

**PACIFIC BELL IMPROVEMENTS**

Opening the door to local competition required Pacific Bell to make major changes to its operation support systems ("OSS") to accommodate expected CLEC competition and to satisfy standards established by the CPUC. The development of new systems and processes for local competition was a monumental task. The process of opening the local market is a highly complex endeavor that requires Pacific to share its facilities in ways never tried before, and in a manner for which the systems were not originally designed and developed. Such efforts required unprecedented degrees of cooperation and coordination with competitors. Not only has Pacific had to establish processes and systems with which to make its own products and services available to wholesale customers for resale to their end-users, it has had to develop and deliver an entirely new product set - unbundled network elements - that had no analogous service on the retail side. Making these wholesale products and services available to wholesale customers required an enormous amount of retrofitting of Pacific's own systems, as well as the development of complex and intricate new systems and processes. (To provide some perspective, it typically takes

approximately 12 to 18 months to move a single product from the conceptual stage to market in the retail environment. In order to meet its obligations under the Act and the resulting regulatory decisions, Pacific was required to design and implement hundreds of new products and services simultaneously.)

This process was further complicated by the fact that the regulations and requirements were not defined when Pacific began undertaking efforts to make wholesale products available. Pacific was developing systems and processes while interconnection agreements were still being negotiated and arbitrated, and before the regulatory bodies had defined the exact scope of Pacific's obligations. In addition, the system developments and modifications were extremely difficult to manage because they touched upon so many systems concurrently, i.e., pre-ordering, ordering, provisioning, maintenance, and billing systems. A system change can be readily managed when one or two systems will be affected. But when multiple systems are being developed or modified at the same time, the effort it takes to maintain a reliable network that can accept and understand all the integrated system changes is enormous. Moreover,

within a single system or application, there is a practical limitation in the number of programmers that can simultaneously redesign and manipulate the software without corrupting or deteriorating the integrity of the software code. Additionally, the skilled experts who were responsible for working with wholesale customers to design and develop systems had to stretch their responsibilities to cover the enormous amount of incremental work that was necessary for opening Pacific's network. (The additional responsibilities could not be readily absorbed by adding personnel from external sources, as the development work required substantial industry and company-specific expertise.)

As stated, one factor that contributed to the challenge in developing effective systems was that Pacific was designing and developing systems well ahead of the establishment of national standards, and ahead of the FCC's decisions defining the lengths to which the incumbents would have to go to make their network available to wholesale customers. One significant example of how these early efforts ultimately hindered Pacific's performance revolves around the billing system selected by the CLECs for resale

services. Pacific had interpreted the early CPUC decisions as requiring Pacific to make only POTS-like services available for resale. Before Pacific's obligations had been defined, and acting in accordance with that interpretation, Pacific agreed to bill certain services to wholesale customers through Pacific's Carrier Access Billing System ("CABS"), rather than through the Customer Record Information System ("CRIS") used for retail products.<sup>1</sup> Wholesale customers apparently requested CABS-like billing because it would be compatible with the systems they used to accept Pacific's billing for access services. Pacific did not object at the time because Pacific believed it could support CABS billing in a simple POTS-like environment. However, this decision would prove to have significant consequences. Once the regulatory bodies defined the extent to which Pacific would have to make its services available to CLECs, Pacific had already committed itself to CABS, and in some instances, had been required through arbitration to include CABS for more complex products. The requirement to

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<sup>1</sup> Pacific believes it was the only local exchange carrier in the country that agreed to bill the CLECs out of CABS for resale. Pacific moved CLEC resale billing from CABS to CRIS in May 1998. By moving to CRIS, Pacific is able to offer the same mass market system and ordering capability that it uses to serve its own retail end users.

bill CLECs through CABS for a robust offering of resale services required Pacific to redesign each retail product available for resale for the CABS environment. The intensity and complexity of effort required to make that conversion contributed substantially to the delay in the implementation of mechanized systems.

The use of CABS to bill local wholesale customers posed other operational challenges for Pacific. During the first several weeks after MCI began submitting a substantial amount of orders, CLEC end-user customers suffered dial-tone loss during the migration process.

To understand why this occurred, it is necessary to explain how the "two-order" migration process evolved. As discussed above, Pacific bills its retail customers out of CRIS. In order to bill the local wholesale customers out of CABS for resale, as they requested, it is necessary during the migration process to first remove the migrating customer from Pacific's billing system, CRIS, before re-entering the customer into CABS. This requires that two orders be entered into SORD (Pacific's order provisioning system): one order takes the customer out of CRIS and issues a final bill to the customer for retail services; the second order enters

the customer into CABS. If the two orders become disassociated, and one order is worked but the other is not, the customer could experience loss of dial tone.

At the inception of resale, certain orders became disassociated from each other. Because resale was a new line of business, some of Pacific's employees had not yet had the opportunity to become familiar with the FID (field identifier) on the resale orders that linked the two orders together. (The FID, in effect, is a cross reference between the two orders.) As a result, the disconnect order removing the account from CRIS was at times processed independently from the change order establishing the customer in CABS, and certain migrating customers consequently experienced loss of dial tone.

Immediately upon identifying the source of this issue, Pacific undertook efforts to improve its processes and train its employees to minimize the potential for loss of dial tone, including:

- Making changes to desk-top systems automation;
- Doing additional training in downstream departments to help them identify the types of errors that result in dial-tone loss;

- Establishing a dedicated provisioning center for wholesale ordering;
- Doing additional downstream training for order processing; and
- Altering the FID structure on the service order to reduce order processing errors.

With these improvements, the disconnect issues were dramatically improved by first quarter 1997, and while there were still isolated incidents of loss of dial tone, improved procedures and quality controls, on both Pacific's and the local wholesale customers' side, reduced such instances to near de minimus levels by mid-year 1997.



**OPERATIONS SUPPORT SYSTEMS**

To provide CLECs a ready point of entry for direct electronic access to OSSs, SBC established Remote Access Facilities for both the SWBT and Pacific Bell/Nevada Bell regions that accommodate either dial-up or private-line connections. Using these facilities, wholesale customers are able to accomplish transactions with the same level of mechanized processing as SBC retail service personnel.

SBC's Help Desks assist local wholesale customers with any questions or problems they encounter while electronically accessing OSS functions, 24 hours per day, 7 days per week. On-line help menus are included on most systems and additional reference material is available as well. The vast majority of local wholesale customer calls to the Help Desk request SBC's assistance in resolving problems that have been caused not by any deficiency in SBC's systems, but rather by easily corrected problems at the wholesale customer's end of the interface.

SBC has made special efforts to encourage local wholesale customers to utilize electronic interfaces for their transactions. For instance, SBC offers local wholesale customers throughout its region, free evaluation